August 8, 2004

IMPORTANT NOTICE Contractor Repair Act

This is to inform you that pursuant to Act 119 (2004), the "Contractor Repair Act" ("Act"), all claimants filing an action alleging residential construction defects against a contractor must serve the contractor with a written notice of claim no less than ninety days <u>before</u> filing the action. Please note that a "contractor" is defined as "any person, firm, partnership, corporation, association, or other organization that is engaged in the business of designing, manufacturing, supplying products, developing, constructing, or selling a dwelling" under the Act. The Act became effective on July 1, 2004.

For specific information on this new claim process, please refer to the Act below.

Under the Act, a contractor must provide notice to the owner of the premises of the contractor's right to resolve alleged construction defects before a claimant may commence litigation against the contractor. The notice must be conspicuously included in the contract for the construction or substantial remodeling of a premises, and must be in substantially the following form:

"CHAPTER [number not yet assigned] OF THE HAWAII REVISED STATUTES CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY FILE A LAWSUIT OR OTHER ACTION FOR DEFECTIVE CONSTRUCTION AGAINST THE CONTRACTOR WHO DESIGNED, REPAIRED, OR CONSTRUCTED YOUR HOME OR FACILITY. NINETY DAYS BEFORE YOU FILE YOUR LAWSUIT OR OTHER ACTION, YOU MUST SERVE ON THE CONTRACTOR A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE. UNDER THE LAW, A CONTRACTOR HAS THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR AND/OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY A CONTRACTOR. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER THE LAW. AND FAILURE TO FOLLOW THEM MAY NEGATIVELY AFFECT YOUR ABILITY TO FILE A LAWSUIT OR OTHER ACTION."

(You may refer to Act 119 (2004) in the above notice until a chapter number is formally assigned.)

Link to Act 119